



Singapore Actuarial Society

Newsletter

23 August 2010

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Editorial

Conventional wisdom has been that Singapore is largely free from the effects of natural disaster, but will this continue to be a reasonable assumption? This was one of the topics touched on at the recent meeting of the SAS Executive Committee with the MAS. The recent episode of flash floods in the heart of the city was testimony to the fact that the effects of climate change are all too real and the resulting damage from such unexpected events could be quite costly.

Catastrophic loss here from earthquakes in the future may not be as improbable as we have been accustomed to thinking either. According to scientists, pressure building up at the fault lines in the Sumatran region means a future quake of high magnitude there could cause severe damage to buildings in nearby cities including Singapore. With these increased risks to bear in mind in the future, the setting up of the Institute of Catastrophic Risk Management (ICRM) earlier this year by the Nanyang Technological University (NTU) with industry collaboration is indeed a welcome development.

[Rani Rajasingham](#)

Notes from the President

It has been a busy couple of weeks for me as President.

I had the honour of talking to students at Hwa Chong Institution about being an actuary. While there were no questions during the presentation, there were certainly a lot afterwards! Most interesting were questions regarding work/life balance, which I found to be very mature questions. My answer to them was that work/life balance is not always on a daily basis, but it is always up to you to ensure that you get the balance you need. I didn't have the heart to tell them that during the early part of their careers the work / study balance tends to be the main challenge.

The Executive Council met with the new Executive Director of the Insurance Department of the MAS, Ms. Luz Foo at the beginning of the month. At this meeting we presented her with a copy of the Annual Report and discussed all the conferences, studies and social activities that we are involved with. The meeting was well received.

Mike McLaughlin, President of the SOA was in town for the Joint Regional Seminar, which was held on August 5th and 6th. I accompanied him to a meeting with the MAS where he discussed the new CERA qualification. There was a lot of interesting discussion on issues facing US reinsurers at the moment, and asset-liability matching post-GFC. Mike also hosted a dinner on behalf of SOA members, which was delicious.

Besides hosting the Joint Regional Seminar, the SAS held the Joint Professionalism Course for new Fellows and Associates from the UKAP, IAA (Aust) and CAS. I had the privilege of speaking to them about the challenges facing actuaries in the region. As well, there was an Ethics Forum held for all SAS members, which sparked some interesting debate and questions.

But I have to say the most fun event (ever!) with the SAS that I attended was the Quiz Night. Congratulations to "The Past is no Guide to the Future" team who came in first.

And a big thank you to Patsy, Raymond (Patsy's elder son) and all the volunteers who have made all of these events possible. It is a small core group that keeps the SAS running. As always, if you would like to be involved, don't be shy and send me an email.

[Jill Hoffman](#)

Health Insurance Committee

The HI Committee currently has 4 members - Joanna Chu (Chartis), Chen Wei Hin (Prudential), Samuel Tan (Munich Health) and me. We have a number of ambitious projects in place:

- Organisation of actuarial seminars around International Actuarial Association Health Section webcasts, on subjects relevant to health insurance, like the ageing population (likely by a speaker from the OECD) and stochastic modelling of health insurance.
- Conducting a survey on the public-private health insurance arrangements in East Asian Actuarial Conference member countries.
- Publishing annual reports on healthcare and financing in Singapore.
- Analysis of Ministry of Health data posted on its website.
- Setting up a health insurance resource centre on the SAS website.

The Committee will also soon conduct a survey of members on their involvement in health insurance and their interests in this area, so that the Committee can serve their needs better.

As you can see, the Committee is keen to contribute to the up-grading of the skills and knowledge of members practising in the health insurance field, but it can do with more

members to see these projects through.

If you are willing to give up a little of your time to helping the Committee advance the health insurance actuarial profession, just drop a note to me at

chichenghock@hotmail.com

If you have any other ideas which you will like to pursue, the Committee will also be more than glad to hear them and, together with you, see how these ideas can be brought to fruition.

I look forward to hearing from you!

[Chi Cheng Hock](#)

General Insurance Committee

Hello, as the new Chair of the General Insurance Committee I would like to thank Jim for his work as the previous Chair in setting us up with a good foundation upon which to build upon. With two very successful conferences and an increasing awareness of General Insurance topics I hope we can build on this and continue to develop Singapore into a centre of excellence for General Insurance actuaries.

For many actuaries in non-life, the first half of the year has been busy implementing the new solvency stress testing requirements that were issued at the beginning of the year. As it was the first time for completing these reports for General Insurance companies it is planned that there will be a "round-table" discussion between the MAS and the Signing Actuaries to determine what worked and what didn't in the new reports. More information on this will be available as the details are confirmed. Also, just a reminder that this year there was an extended deadline to July, but next year the deadline will fall in line with the Life Insurers to the end of May.

[Matthew Maguire](#)

Education Committee

Joint Professionalism Course

From 10th to 12th August the SAS held its second Joint Professionalism Course (JPC) with the support of the UK Actuarial Profession, the Institute of Actuaries of Australia and the Casualty Actuarial Society. We had eighteen delegates in total with all three professional bodies represented and with a good mix by practice area too.

As in 2009, the course was led excellently by Neil Hilary of the UKAP, with the support of Scott Yen, representing the CAS and Andrew Linfoot, representing the IAAust. Other speakers included Jill Hofmann, Jim Attwood, Keith Walter and Mark Birch. We are grateful to all those who gave up their valuable time to support this event and to make it a success once again. Of course it wouldn't be a success without the strong level of participation from the delegates themselves, which also adds significantly to the value of the course to all attendees. Congratulations to all of the attendees for satisfactorily completing the course and thus now being eligible to upgrade their designatory status with their examining bodies to Associate or Fellow as applicable.

On the Wednesday evening, we held a dinner to congratulate the ten new Fellows attending the course, at which Keith Walter provided an entertaining and illuminating speech about his long and varied career as an actuary, having worked in several continents. Many thanks to Keith for taking the time out for this.

Ethics Forum -10 August

While he was in Singapore to conduct the JPC, Neil Hilary also kindly agreed to facilitate a Forum discussion on Professional Ethics. Neil presented an informative talk on the underlying theory of business ethics to set the background. He then opened the floor to comments from participants and an interesting discussion followed with many contributions from the thirty-plus audience. Thanks to all who attended and especially to those who contributed to a positive evening. Unfortunately, we had a significant number of 'no shows' on the evening who had not let us know that they were unable to come, thus delaying the start of the talk - somewhat ironically given the topic.

Next Forum

We are pleased that on 30 August, Dr Frank Ashe will present his paper on "A Kindergarten Guide to Monetary Economics". This promises to be a very entertaining and informative evening at the Tower Club with a rather different approach to monetary theory. Please let Patsy know as soon as possible if you wish to attend.

New Mathematics & Statistics Course

On 31 August, Dr Frank Ashe is also leading the one day course on "New Maths and Stats for Actuaries" that we have arranged in conjunction with Macquarie University Applied Finance Centre. The course is intended to give qualified actuaries an introduction to the increasing number of new statistical and mathematical techniques around that are not covered in the standard actuarial syllabus.

As advertised, this course was subject to limited numbers and all places have now been filled. However, if you wish your name to be added to a wait list in case of any cancellations, then please send your details to Patsy.

[Mark Birch](#)

International Affairs Committee

Joint Regional Seminar, 2010

The Joint Regional Seminar 2010 was held in Singapore on 5 & 6 August. Singapore was the second, after Bangkok, stop on a 4 city tour of Asia. The event was organized by the Society of Actuaries; the Institute & Faculty of Actuaries and the Institute of Actuaries of Australia - with the Singapore leg also being co-sponsored by the Singapore Actuarial Society. More than 80 delegates from various countries in the region signed up for the event. The theme of the 2010 seminar was Asset, Liability and Capital Management: Where are your Risks?

The first day of the seminar was a full day of presentations. The keynote speaker was the President of the Society of Actuaries, Michael McLaughlin. Mike spoke about the new global CERA designation and wider applications of ERM. Keeping with the theme of the seminar, the other presentations focused on the major risks facing insurance companies – and pricing & managing these risks appropriately. Mark Saunders also spoke about M&A and gave some interesting insights into valuation of insurance companies. The 1st day wrapped up with a Q&A and panel discussion during which the risk management lessons from the financial crisis and the new regulations like Solvency II were very topical. A special mention should go to Robert Chen for doing an excellent job chairing the first day of the seminar. The presentations from day 1 appear on the SAS website.

The second day of the seminar was a half day workshop on various risk management case studies. The session was led by Shu-Yen Liu and there was a lot of group discussion and

active participation by delegates. Jill Hoffman wrapped up the conference with her closing remarks. The event was by all accounts a resounding success. After Singapore, the seminar moved on to Hong Kong and Beijing.

Gavin Maistry for the International Affairs Committee of the SAS.

[Gavin Maistry](#)

Public Relations Committee

Liaison with Industry Stakeholders

The Executive Committee met with the MAS on 2 August.

The SAS hosted the (US) Society of Actuaries President, Mike McLaughlin during his stay in Singapore. He presented at the Joint Regional Seminar, we hosted him for a meeting with the MAS and the SOA held a dinner for some of its members on 5 August.

Our President, Jill Hoffman, also spoke about actuarial careers at Hwa Chong Institution, one of Singapore's leading junior colleges, on 30th July.

Social Events

The SAS had its first ever quiz night on Friday 30th July! 40 members and guests attended at Harry's Bar @ 8 Shenton Way.

There were questions like "at 52%, what's the largest component of chicken McNuggets?" (corn) and "which word has 5 consecutive vowels and describes a Singapore past-time" (queueing) and "what number's square root is almost equal to Pi" (10 – and unfortunately not everyone in the room got this one right!) Well done to the winning team – "The Past is No Guide to the Future" – Andrew Linfoot, Chi Cheng Hock, Darshan Singh, Rioma Kam and Ann Chong.

It was a really fun night, with most people attending asking for this to become a regular social event!

Actuarial Insight

This month, we are introducing our first "young actuary" – recently qualified Joey Zhou! Read the attached Actuarial Insight for more ...

What's coming up?

- Executive Committee to meet with the CPF
- Presentation to SMU students on working in the reinsurance field

Social Events coming up

- NTU actuarial night – working professionals meet the students

This is the second year, after a successful event last year. Jill Hoffman, our President, will speak to the students, alumni and academic staff at NTU, as will one of the alumni and professors.

Practicing actuaries and SAS members are encouraged to attend this networking evening, which provides drinks and nibbles as you mingle with the next generation of actuaries.

Venue: NTU
Date: 6th September
Time: 7pm onwards

[Annette King](#)

Student Committee

The Student Committee organized a talk on the actuarial profession at Hwa Chong Institution on 30 July as part of the school's Career Guidance programme. Jill Hoffman, President of the SAS, gave the talk to over 20 enthusiastic junior college students.

As Hwa Chong Institution has traditionally produced the largest number of actuarial undergraduates for the local universities, it was not surprising to see that many of the students were very keen on finding out more about the career paths and opportunities of an actuary. The most common questions fielded by the students were about the demand for actuaries in Singapore, the nature of the work of an actuary as well as the nature and difficulty of actuarial exams.

It was good to see the enthusiasm of the students for the profession, and we hope to participate in the Career Guidance programmes of other junior colleges as part of our efforts to raise the profile of the profession in Singapore!

[Aaron Wee](#)

Council Update

August has been a busy month and I'd like to send out a huge thank you to all the volunteers who help make the events, conferences and seminars possible. The number of events on the calendar has grown significantly in the last few years so we are always on the lookout for volunteers. If you are interested in serving on a committee or helping with events, then please do contact me.

A number of our student and ordinary members are gearing up for the September/October exam sessions and we wish you the best of luck with your preparations and with the exams.

As always, please let us know if you have any feedback, either positive or negative, as well as suggestions for how SAS and Council can better serve our members. I can be contacted directly at secretary@actuaries.org.sg or feel free to contact Patsy Lau, patsy@actuaries.org.sa, and she will pass your feedback on to the right person.

[Lorna McLaren](#)

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